

## **21. Coal and Propane**

### **Coal**

#### **A.E.S. Ltd.**

The Draft State Energy Plan states specifically that the State should support clean coal technology, research, demonstration, and commercialization. This should include working closely with the energy industry to create incentives that lead to the retrofit of existing brownfield sites and potential new coal-fired generation.

Response: The State Energy Plan calls for the State to support research, demonstration, and commercialization of advanced electricity generating technologies, which would include advanced coal technologies, and encourages the retrofit and repowering of existing generating facilities in the State to maintain the State's energy diversity. The recommendations for the promotion of a cleaner and healthier environment include developing a program that allows businesses to enter into voluntary agreements to meet certain energy efficiency objectives and reduce greenhouse gas emissions. To assist businesses in meeting such voluntary goals, the State Energy Plan recommends that the State offer, where appropriate and necessary, technical assistance, expedited regulatory permit review, financial incentives, and public recognition.

#### **A.E.S. Ltd.**

To alleviate the need to develop greenfield sites, the State should further develop appropriate procedures that would provide for the expansion of the State's generation infrastructure through the modification of, or repowering of, existing facilities. This should include direct incentives for expansion of new, clean-coal generation projects.

Response: The State Energy Plan calls for the State to support research, demonstration, and commercialization of advanced electricity generating technologies, which would include advanced coal technologies, and encourages the retrofit and repowering of existing generating facilities in the State to maintain the State's energy diversity.

#### **Center for Energy and Economic Development, Inc.**

Coal transport and generation provide vital contributions to the New York State economy. Maintaining and providing opportunities to expand household income and employment attributable to coal transport and generation in New York State should be among the central objectives of the State Energy Plan.

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Response: The Energy Planning Board recognizes the important contribution of coal transportation revenue to the upstate rail industry and the importance of coal-fired electric generation to the State's fuel diversity. These issues are addressed in the State Energy Plan. (See Section 2.2, Energy and Economic Development, and Section 3.7, Coal Resource Assessment.) The State Energy Plan calls for the State to support research, demonstration, and commercialization of advanced electricity generating technologies, which would include advanced coal technologies, and encourages the retrofit and repowering of existing generating facilities in the State to maintain the State's energy diversity. The Energy Plan also supports continued operation of all existing generation in the State that meets applicable permit requirements.

R.G.S. Energy Group/Rochester Gas & Electric Corporation

The State Energy Plan should promote clean-coal technology in general, not specifically promoting any particular technology.

Response: Implementation of advanced coal technologies has been, and will continue to be, important for achieving the State's energy, economic, and environmental goals. In recent years, technological advancements have led to substantial reductions in the cost of controlling sulfur dioxide (SO<sub>2</sub>) and nitrogen oxides (NO<sub>x</sub>) emissions. Some of the most successful advancements are low-NO<sub>x</sub> burners, selective catalytic reduction and scrubbers. Also, advanced coal technologies under development show promise of being environmentally superior to the technologies in common use today. The State Energy Plan does not promote particular technologies as superior to others.

American Wind Energy Association (AWEA)

The only clean-coal technology the State should support is integrated gas combined cycle with carbon sequestration.

Response: Integrated gas combined cycle technologies are one of several innovative advanced coal technologies that are more environmentally benign than many systems in common use today. Most are the products of research conducted over the last 20 years. New pollution control devices, such as advanced scrubbers, clean pollutants from flue gases before they exit the plant's smokestack. New combustion processes, such as circulating fluidized bed combustion, improve efficiency and control emissions. Integrated gasification combined cycle technology converts coal to a gaseous form similar to natural gas before it is burned. The Energy Plan does not promote particular technologies as superior to others.

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### Environmental Advocates

All the coal plants in New York should be required to meet modern standards. The State Energy Plan should specifically analyze the impact on electricity markets if all plants were upgraded to meet modern control standards. You could have a birthday provision that on the 30th birthday of these plants they must be required to meet modern standards.

Response: The Governor's Acid Deposition Reduction Program, announced in 1999, is expected to result in regulations that will require New York's electricity generation plants to reduce sulfur dioxide (SO<sub>2</sub>) emissions by 50 percent below the levels required by the federal Clean Air Act amendments of 1990. The initiative will also require such plants to implement year-round controls for nitrogen oxides (NO<sub>x</sub>). This represents a substantial extension of the five-month summer ozone season controls required under current federal and State regulations. The first full year of fully-implemented NO<sub>x</sub> controls is expected to be 2005, and SO<sub>2</sub> controls are expected to be fully phased in by January 2008. The State will review the recommendations of the Governor's Greenhouse Gas Task Force and implement appropriate recommendations in a timely manner. In addition to these initiatives that are specific to New York, the State also supports new source review standards.

### Ann Link

Clean coal is an oxymoron. There is no such thing for the following reasons: [1] even with new technology, burning coal will pollute the air, [2] there is a hidden cost to coal, the health costs of respiratory disease including asthma, [3] coal mining causes destruction of small towns and the surrounding environment in Virginia, West Virginia, and Kentucky.

Response: A major consideration in the use of coal as a fuel in electricity generation is the emission of sulfur dioxide, nitrogen oxides, particulate matter, and carbon dioxide. Advanced coal technologies offer utilities options for making substantial reductions in acid rain and greenhouse gas emissions, while providing health benefits from improved air quality and energy, security, and reliability benefits through contributions to energy diversity. Emissions of sulfur dioxide and nitrogen oxides from coal plants using advanced coal technologies are expected to be 80 percent to 90 percent lower than those from typical existing coal plants.

As noted in the State Energy Plan, coal mining can have significant negative effects on land and water resources. Soil subsidence and erosion are long-standing

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problems associated with underground and surface mining. These are addressed by the Surface Mining Control and Reclamation Act of 1977 and the Abandoned Mine Reclamation Act of 1990. Water resources are degraded by mining and coal preparation. The Federal Water Pollution Control Act of 1972 and the Clean Water Act of 1977 both contain provisions to limit water pollution and run-off from coal extraction and processing.

#### Better Queens Environment (BQE)

The Draft State Energy Plan's analysis of demand predicts that demand for coal will decrease in the immediate future but that coal will make a comeback as nuclear facilities are retired and gas displaces oil. Rising gas prices will then make coal more economically attractive. Coal currently produces 4,000 megawatts of New York State's power (8 percent). Compare this with the 48 megawatts now produced by wind, and we see how the Draft State Energy Plan, rather than promoting a "balanced portfolio of energy resources" heavily promotes fossil fuels to the detriment of clean, renewable energy sources.

Nor is this plan coherent. New York Power Authority's Clean Air for Schools Program, which replaces coal burning furnaces with gas, is cited as reducing emissions by 911,200 pounds annually. Yet the demand for coal is predicted to increase by either 24.09 or 38.5 percent in the next 20 years. The school program, while positive and certainly symbolic, hardly tips the scales. Indeed, its gains stand to be buried in a pile of coal. Is this what we want for our children?

The Draft State Energy Plan also calls for an expansion of research and development of "clean coal technology." This is highly unnecessary and redundant. New York State could easily supply all its energy needs with technologies, such as wind and solar, that are known to be clean.

Response: The State has made significant progress in reducing emissions that cause acid deposition and soon will adopt stringent new standards for power plants to further reduce these emissions. The State Energy Plan calls for the State to support research, demonstration, and commercialization of advanced electricity generating technologies, which would include advanced coal technologies, and encourages the retrofit and repowering of existing generating facilities in the State to maintain the State's energy diversity. Emissions control technologies emerging from research and development in the 1980s and 1990s have moved into the utility and industrial marketplace and now provide cost-effective measures for reducing pollution.

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New York State is making significant progress compared to other states in promotion of renewable energy. Higher costs for renewable energy will continue to be a barrier to widespread adoption of renewable energy technologies. The State will continue to take actions to bring renewable energy costs more in line with national energy prices and promote renewable energy development.

Environmental Energy Alliance of New York

The State Energy Plan should include [a discussion of] the interrelationship of coal use, the availability of low cost rail service, and health of the upstate economy.

Response: These interrelationships are described in the State Energy Plan, Section 3.7, the Coal Resource Assessment.

Brett Maxwell

Increase investments in clean-coal technologies and increase the emphasis on quick-growing biomass fuel sources such as willow (Section 3-III, page 3-55).

Response: NYSERDA currently is conducting an *Efficiency and Renewable Energy Potential Assessment* which is looking at the potential of renewable energy sources and technologies and will provide specific data regarding the effects of co-firing biomass with coal.

NYSERDA has partnered with the SUNY College of Environmental Science and Forestry and more than 20 other organizations to form the Salix Consortium to undertake a multi-year project to grow and harvest willow for co-firing with coal.

Mary Griffin

A graph comparing natural gas emissions to coal plants using clean coal technology would be helpful.

Response: In Section 3.7, the Coal Resource Assessment, Table 10, Emission Rates for Electric Generation, has been expanded to include estimated emission rates for sulfur dioxide, nitrogen oxides, carbon dioxide, and mercury for natural gas combined-cycle plants compared to estimated emission rates for coal plants that burn low-sulfur coal, plants with advanced emission controls, and plants that have incorporated two new advanced coal technologies.

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## **Propane**

### **Paraco Gas**

Both federal and State data report propane stocks and prices as distinct from petroleum, we suggest that, beginning with this report, propane be broken out and discussed separately.

**Response:** The Petroleum Assessment in the State Energy Plan includes a section addressing propane prices, supplies, and infrastructure.

### **Paraco Gas**

In the past, we recommended that storage be increased in the State by removal of barriers to siting. Section 379 of the Executive Law allowed local governments to adopt more restrictive standards for construction and fire protection. While local governments are supposed to act only upon good cause, the NYS Fire Prevention and Building Code Council has failed to enforce the requirements of the statute for adoption of such local standards. We recommend that 379 be altered to bar all local laws unless and until they are approved by the council imposing legally required review of such requests.

**Response:** With respect to Section 379 of the Executive Law, such issues are the purview of the State Legislature. The Energy Planning Board has not studied this issue in sufficient depth to offer guidance.

### **Paraco Gas**

To promote greater safety and educational training, we suggest that New York establish a State-level Propane Education and Research Council to be used to expand programs and promote research and development of efficient propane applications. Funds could also be used for consumer education.

**Response:** Establishment of a State-level Propane Education and Research Council would require that legislation be enacted by the New York State Legislature. Absent legislation, there is, at the present time, nothing that prevents the propane industry from establishing an education and research council with voluntary contributions from industry participants.

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Doug Goodman

I'm here as an individual on behalf of the propane industry. When I reviewed the draft State Energy Plan, I noticed the lack of involvement of the propane industry in the plan. It did not appear that there was anybody from the LPG industry that was involved in the focus group or interest group.

I would like to have the opportunity to have propane revisited as part of the Draft State Energy Plan.

Response: The State Energy Plan, Section 3.6, Petroleum Assessment, includes a section addressing propane prices, supplies, and infrastructure.

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